

**VETO MESSAGES**  
**OF**  
**GOVERNOR GARY E. JOHNSON**  
**FORTY-FOURTH LEGISLATURE**  
**SECOND SESSION AND SECOND SPECIAL SESSION**  
**2000**

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## **\_\_\_\_ FORTY-FOURTH LEGISLATURE, SECOND SPECIAL SESSION**

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## **FOREWORD**

The Forty-Fourth Legislature, Second Session, passed 135 bills that were sent to Governor Gary E. Johnson for his approval or disapproval. This total included 62 house bills and 73 senate bills. The governor signed 107 bills into law: 51 from the house and 56 from the senate. He vetoed 28 bills, including one by pocket veto, and partially vetoed three.

During the Second Special Session of the Forty-Fourth Legislature, 28 bills were passed, including 17 from the house and 11 from the senate. The governor signed 23 bills into law: 17 from the house and six from the senate. He vetoed five bills, including two by pocket veto, and partially vetoed three.

The exact texts of the executive messages that accompanied the vetoed and partially vetoed bills are reproduced here.

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**VETO MESSAGES OF HOUSE BILLS  
FORTY-FOURTH LEGISLATURE  
SECOND SESSION**

**CS/H 2 et al    GENERAL APPROPRIATION ACT OF 2000**

February 9, 2000

**HOUSE EXECUTIVE MESSAGE NO. 73**

I have this day VETOED and am returning HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE BILLS 2, 3, 4, 5, 6, 7 and 9, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation is intended to provide operational funds for public and higher education as well as state government for fiscal year 2001. This bill has been vetoed because it establishes an inordinately high recurring spending level while simultaneously under-funding important programs. Unfortunately, this general appropriation act follows a familiar pattern in that it lavishes spending on special interests, shortchanges ongoing programs and disregards taxpayers.

The general fund operating reserve has served as our rainy day fund for decades. Over the years, the wisdom of maintaining a healthy balance in that account has been demonstrated many times. At the very least, we should maintain a balance equal to five percent of recurring spending, and preferably more, as a hedge against revenue shortfalls and other emergencies that periodically and inevitably occur.

I cannot approve any spending plan that does not comply with this minimal level of prudence. Our analysis of this bill reveals that it effectively reduces the operating reserve from \$185 million in fiscal year 1999 to \$149 million in fiscal year 2001. The minimum reserve requirement for fiscal year 2001 is \$172 million.

I believe we do a disservice to our citizens and ourselves when we cleverly disguise spending so that "on paper" we appear fiscally responsible but in reality we are courting disaster. Examples of such cleverness in this bill include:

- The aggressive use of non-recurring agency cash balances for recurring purposes.
- Presenting appropriations as "contingencies" when there is little doubt that those appropriations will be spent.
- The wholesale expansion of Medicaid coverage, without regard for the financial implications.

- Use of tobacco settlement funds in lieu of the state general fund for state programs.
- The assumption of Indian gaming revenue without enactment of the requisite joint resolution properly resolving this issue.

It is remarkable that these devices were employed when our latest general fund revenue estimates already provided for a healthy increase in spending. The fiscal year 2001 estimate of \$3.46 billion will accommodate spending increases and tax cuts totaling \$165 million.

The tobacco settlement money should be directed to smoking cessation and prevention or to a special permanent fund. This bill appears to relegate the tobacco money to a slush fund for special interests.

Obviously, the spending contained in this bill forecloses any opportunity for tax relief. In view of the overall healthy condition of our finances it seems eminently fair to give something back to the taxpayers. It is the taxpayers, after all, who drive our economy and provide the resources distributed in this bill. Unfortunately, special interest lobbyists, not taxpayers, exert the most influence in this arena.

We have been agonizingly clear in stating the funding requirements for executive agencies. My administration has made budgetary information available to the legislature in extensive detail. We have fully participated in the budgetary deliberations of the House of Representatives and we have thoroughly documented our requirements pursuant to the mysterious workings of the Senate.

Therefore, it should come as no surprise to anyone involved in these proceedings that this bill is significantly flawed in its funding of certain executive agencies. These would include the Departments of Health, Public Safety, Corrections and Children, Youth and Families, among others. Moreover, certain important supplemental appropriations have also been omitted.

The under-funding of agencies under my direction appears to be rooted in partisan politics and legislative gamesmanship. We should all bear in mind that our citizens suffer the consequences when these strategies go awry as they usually do. Cabinet officers and other key members of my administration are available at any time to work with the legislature to rectify these deficiencies.

This is the first general appropriation act that incorporates performance budgeting concepts in its appropriations for ongoing programs. Although this is a laudable improvement, I would remind the framers of this act that performance budgeting is predicated on a bilateral agreement between executive agencies and the legislature. Executive departments can hardly be held to terms and conditions that they have not agreed to. In this regard, I cannot accept the inclusion of substantive law in this act. However, I will direct the secretary of the Department of Finance and Administration to enter into a letter agreement with the appropriate interim committee to facilitate the continued implementation of this program. I note that this first effort is seriously lacking in the kinds of performance incentives that would foster commitment.

I have expeditiously acted on this bill so that the time remaining in this legislative session can be effectively used to produce an acceptable general appropriation act. I urge the legislature and especially the majority party to avail themselves of the considerable resources of the executive branch to resolve any uncertainties prior to passage, thus ensuring the enactment of the general appropriation act of 2000 and the successful conclusion of this legislative session.

## **H 12 REIMBURSE COUNTIES FOR INMATE COSTS**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 90**

I have this day VETOED and am returning HOUSE BILL 12, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation would mandate the expenditure of state funds to reimburse counties for transportation of prisoners, but provides no appropriation. This mandate has a significant fiscal impact on state General Fund revenues. Current law already allows the state to fund this program if sufficient money is available.

## **H 28 EARLY LITERACY PROGRAM**

March 8, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 101**

I have this day VETOED and am returning HOUSE BILL 28, as amended enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill was referenced in Senate Finance Committee Substitute for Senate Bill 2 and my veto of Senate Finance Committee Substitute for Senate Bill 2 invalidates the proposed funding for an Early Literacy program in grades 1 through 3. More importantly, House Bill 28, as amended, includes indeterminate present and future costs with an arbitrary formula change. The program cost calculation for early literacy simply reflects a recommended level of funding and is not related to an assessment of the number of "children most in need" as specified in the bill. House Bill 28, as amended, also emphasizes skills already required in the State Board of Education benchmarks for grades Kindergarten through 4. School districts should be addressing the current benchmarks for these early grades that include skills for listening, speaking, reading, observing and choosing materials for information gathering, enrichment and other purposes. A request for additional funding for activities that should be in place now seems inappropriate and

unnecessary.

School districts should not expect to receive additional funding for teaching literacy skills. The districts should be using the basic elements of early literacy programs outlined in this bill including abundant literacy materials, effective instructional techniques, integrated reading and writing activities, training and assessments and program evaluations. If schools are not emphasizing early literacy skills at these grade levels, I would evaluate what they are doing before providing additional financial resources.

## **H 85    CHANGE AT-RISK INDEX**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 91**

I have this day VETOED and am returning HOUSE BILL 85, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill, if implemented without an appropriation, simply redistributes at-risk funds and creates a different set of districts that benefit while others lose. The bill is not revenue neutral in its effect. A comparison of the current methodology with the methodology proposed in House Bill 85, as amended, reveals that the Gallup-McKinley, Gadsden, Grants, and other districts would lose funding while other districts including Las Cruces, Rio Rancho, Farmington, and Albuquerque, would gain. Based on present data, changes in the calculation of the at-risk index and the introduction of the 90 percent save-harmless provision could require more than \$3.0 million to achieve revenue neutrality for all school districts.

The State Department of Education (SDE) also indicates that this bill will not guarantee revenue neutrality and stability. The State Department of Education reports that there will be a "lack of stability" and "volatility is almost certain to recur when updated poverty data become available from the 2000 Census."

House Bill 85, as amended, fails to provide a solution to the problem it is intended to address. The real problem lies in the use of an overly complex, network methodology that contributes nothing to the understanding of the public school funding formula and remains an incomplete solution to a real problem. The instability and volatility can best be dealt with by using categorical funding until the methodology is examined by districts and educational support agencies.



**H 229 EXCLUDE DEVELOPMENTALLY DISABLED FROM  
MEDICAID MANAGED CARE**

March 7, 2000

**HOUSE EXECUTIVE MESSAGE NO. 93**

I have this day VETOED and am returning HOUSE BILL 229, with emergency clause, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation mandates the exclusion of health care services for the developmentally disabled from the Medicaid Managed Care Program, Salud! Last year, I vetoed virtually the same legislation, and do so again, because Salud! provides New Mexico the ability to maintain a state-of-the-art, cost-effective health care service model for developmentally disabled individuals. For the sake of these citizen's need for proper care, the success of Salud! should not be infringed upon.

**H 282 DEVELOP MULTISTATE SALES TAX SYSTEM**

March 7, 2000

**HOUSE EXECUTIVE MESSAGE NO. 94**

I have this day VETOED and am returning HOUSE BILL 282, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill directs the Taxation and Revenue Department to enter into multi-state negotiations with the goal of eventually imposing sales tax on Internet sales and other forms of remote commerce. This is one of the most important issues in state and local taxation today. It is also one of the most vital sectors in the US economy. I am opposed to potentially yielding the state's discretion on this issue to any multi-state organization. We must be clear that state and local taxation should not become a roadblock to the transformation of the US economy that is under way. It is crucial that we retain our independent voice on these issues.

## **CS/H 291 TREATMENT FOSTER CARE PROGRAMS**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 95**

I have this day VETOED and am returning HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE BILL 291, with emergency clause, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation requires the exclusion of treatment foster care from the Medicaid Managed Care Program, Salud! I vetoed this legislation last year, because it would result in the fragmentation of a cost-efficient, successful program that serves children with formidable health problems. As with last year's bill, enactment of this law would take a step backward toward a fee-for-service model that works against the need for high-level coordination among health care providers to allow children to obtain the best and most cost-effective services available.

## **H 349 AMEND AUTHORIZATION FOR CERTAIN SEVERANCE TAX BONDS**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 98**

I have this day VETOED and am returning HOUSE BILL 349, as amended enacted by the Forty-Fourth Legislature, Second Session, 2000.

The provisions of this bill, accelerating the issuance of the sewer bonds for North and South valley projects in Bernalillo County is premature, inasmuch as I have committed to complete the first issuance in the fall of 2000. I am reluctant to commit the 2001 Legislature to this accelerated appropriation. If the projects require additional funding sooner, and the Legislature chooses to opt for an accelerated appropriation, this matter can be addressed during the 2001 Legislature.

## **H 364 YOUTH DRUG PREVENTION PROGRAMS**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 99**

I have this day VETOED and am returning HOUSE BILL 364, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

Reducing drug use and abuse among youth and young adults is an important goal of our state and national drug policy. Adequate funding to well designed, coordinated and effectively delivered drug prevention programs is a vital component of the policy and budget shift America must make as we transition from today's "drug war" strategies to tomorrow's harm reduction policies.

While well intentioned, House Bill 364's ambitious \$2 million appropriation "to establish youth drug prevention programs in local communities and schools," falls well short of its legislative goal for several reasons:

1. It appropriates funds to the wrong department. Under existing law, our health and education departments (not CYFD) administer drug education/prevention programs.
2. It appropriates funds from the wrong source. Taking \$2 million from the cash balances of the wrong department is fiscally imprudent and programmatically improper.
3. It appropriates funds for drug prevention programs without certification that the programs have been rigorously evaluated. Studies show we have yet to develop and deliver effective school-based drug prevention programs. This bill simply states the \$2 million must be spent on "programs that reflect the rural and urban nature of this state and that are sensitive to the cultural and ethnic diversity of the state's citizens." This is hardly a requirement that funding flow to programs that have a proven track record of actually reducing adolescent drug use and abuse.

## **H 472 AMEND PROPERTY TAX CODE**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 96**

I have this day VETOED and am returning HOUSE BILL 472, as amended, with emergency clause, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation is unnecessary because the Department of Finance and Administration has sufficient authority to set general obligation bond debt service rates. The Revenue Stabilization and Tax Policy Committee directed its staff to draft legislation that would close a loophole whereby debt service could be paid by property taxes imposed for operating purposes.

This legislation does precisely the opposite by authorizing such a practice subject to DFA approval. Further, this legislation contains a token tax credit that is both uneven in its application and likely to be held unconstitutional. Many thousand of property owners, residential and commercial, were affected by Bernalillo County's reappraisal program, yet this legislation provides less than \$1 million in tax credits to a select group of residential property owners.

## **H 481 AMEND PRIMARY CARE CAPITAL FUNDING ACT**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 97**

I have this day VETOED and am returning HOUSE BILL 481, as amended, with certificate of correction, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill would allow primary care service providers who have borrowed money from the state's Primary Care Capital Fund to repay up to 50 percent of their loan by delivering free or reduced-fee health care services to the sick and medically indigent. I have signed into law a similar bill, House Bill 38, that provides for an expanded use of the Primary Care Capital Fund to acquire health-care-related capital equipment of a long-term nature. Currently Department of Health rules allow for a 20 percent service credit. This bill increases the service credit to 50 percent which would more quickly deplete the funds currently available for equipment purchases making this fund more like a grant and either requiring a future appropriation or decline in this program.

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**VETO MESSAGES OF SENATE BILLS  
FORTY-FOURTH LEGISLATURE  
SECOND SESSION**

**CS/S 2    GENERAL APPROPRIATION ACT OF 2000**

March 8, 2000

**SENATE EXECUTIVE MESSAGE NO. 87**

I have this day VETOED and am returning SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 2, with certificate of correction, enacted by the Forty-Fourth Legislature, Second Session, 2000.

The bill is similar to the general appropriation act that I vetoed earlier in the regular session. This measure cannot be sufficiently improved through partial veto nor can its shortcomings be effectively managed. I will call a special session of the legislature primarily for the purpose of enacting an appropriation bill to fund the operations of public schools, higher education and state government.

The purpose of the remainder of this message is to spell out my objections, so that the special session can efficiently address an appropriation bill that I can sign. It is impractical to comprehensively list every issue pertaining to a 200-page bill in an executive message. Key cabinet officers and representatives of my office will be in contact with appropriate legislators and staff prior to the special session to provide sufficient detail to enable the legislature to write a complete general appropriation act.

**Reserves**

As I indicated in my previous message, I cannot responsibly sign a bill that does not provide for a minimal general fund operating reserve. The minimum reserve level is five percent of spending. This has been the accepted standard for decades. I am not aware of any public official in any branch of state government who has publicly endorsed a lesser standard. History has repeatedly confirmed the wisdom of maintaining a reserve against revenue shortfalls and other emergencies.

The general fund operating reserve is closely watched by the financial community. Wall Street has made it abundantly clear that failure to maintain adequate reserves will result in the downgrade of future New Mexico bond issues.

If this bill and other fiscal measures passed by the 2000 legislature were enacted, the operating

reserve level for fiscal year 2001 is projected to be \$141 million or about \$31 million below the minimum. The size of this reserve deficiency may come as a surprise to some legislators and members of the public who were under the impression that reserves were more or less adequately funded. It has now become clear that initial legislative calculations of fiscal impact were erroneous: available revenue was overstated and recurring spending was understated.

### **Estimated Revenue**

The initial recurring revenue estimate of \$3.471 billion is no longer valid based upon the provisions of this bill and the unresolved state of Indian gaming. The estimate originally projected \$15 million in shared Indian gaming revenue was predicated upon the legislature's passage of an acceptable joint resolution. Since the joint resolution was not passed, it is unlikely that the associated shared revenue will materialize.

This bill also reduces the initial revenue estimate by \$3 million due to lost Tobacco Settlement interest income. The revenue estimate was based on the assumption that the tobacco money would be invested. Since this bill spends a significant portion of the available tobacco settlement and the remainder had been earmarked to an endowment fund, the resulting loss of interest income has been recognized.

The estimate has been further reduced to account for redirected cash balances in various agency accounts. Ordinarily these funds would revert to the general fund, and in fact the revenue estimate routinely takes these reversions into account. Since large amounts of these balances have already been appropriated in this bill, the reversion estimate has been reduced by \$4 million. Reversion dollars are only collected once, but unfortunately this bill spends them twice.

The foregoing recurring general fund revenue adjustments total \$22 million and result in a new estimate of \$3.449 billion.

### **Recurring Appropriations**

Recurring appropriations have been understated. The understatement is due to the different ways in which the bill attempts to address recurring needs. This includes the classification of certain spending items as "contingent" appropriations from the operating reserve, expanding programs without funding base budgets, and using cash balances for recurring expenditures.

### **Inadequate Appropriations**

With respect to government services, legislators and members of the public may have been led to believe that fiscal year 2001 appropriations to executive agencies were adequate or that the actual differences were small and manageable. However, the general fund appropriation shortfall for just six cabinet departments amounts to about \$24 million. The difference is largely due to the legislature's insistence on expanded programs without sufficient funds to support expanded and

existing programs.

The Corrections Department appropriation includes funds for a new "close custody" unit as recommended by the Independent Board of Inquiry (IBI). Rather than add the close custody appropriation to the department's budget, however, the bill simply moved funds from existing prison operations to the new unit. This approach is apparently rationalized by an assumption that an unusually high number of inmates will be classified as minimum custody.

This bill dangerously mandates that prisoners be classified by appropriation rather than by the standards embraced by the inquiry board and sound corrections policy. This bill subverts the recommendations of the IBI rather than supporting them. The fiscal year 2001 general fund appropriation for the Corrections Department is deficient by \$6 million.

In the case of the Medicaid appropriation to the Human Services Department, the general fund appropriation is deficient by \$4 million. This is primarily due to expansion of the Medicaid program. The bill mandates that Medicaid be expanded to include about 29,000 more adults than are currently eligible.

Although this Medicaid enhancement is certainly well intentioned, the appropriation is inadequate. Funds for existing clients were used to support newly eligible clients. This approach leaves existing Medicaid recipients under-funded. Since we cannot deny benefits to eligible individuals, a supplemental appropriation would be required, thus driving general fund reserves even lower. In its first year, the general fund cost of the proposed Medicaid expansion is projected to be \$10 million, increasing to \$20 million in the subsequent years. I cannot approve an expansion of Medicaid unless all costs are realistically and completely met.

The Department of Public Safety is similarly under-funded by \$6 million. Funds have been moved from existing operations to provide for additional State Police officers. This appropriation is seemingly based on the theory that 40 additional officers can be added to the force by diverting funds from current public safety functions. The new officers are provided for in an appropriation requiring the employment of 525 State Police officers by December 31, 2000.

Even if the stipulation is met, funds do not become available until midway through the fiscal year. This arbitrary requirement may not be attained. The uncertainty, in effect, guarantees that no officers will be added to the force in fiscal year 2001. Since the costs of existing positions are inadequately funded, vacant positions will go unfilled to comply with funding limitations. The consequences of these appropriations are diametrically opposed to the stated purpose. The number of officers will be actually diminished rather than enhanced.

### **Instances of Questionable Legality**

This bill attempts several amendments to the State Equalization Guarantee. This is the "funding formula" that distributes the bulk of instructional funds to the public schools. The formula is

established in permanent law to safeguard, from year to year, the fairness and consistency of the state money that is distributed to the state's 89 school districts.

The bill further seeks to amend existing statutes by merging the Office of the Natural Resource Trustee with the Office of the Attorney General. Regardless of the pros and cons of this notion, it must be accomplished through legitimate statutory amendment. If this approach were to appear in a future general appropriation act that was otherwise acceptable, I would be compelled to deal with this through partial veto, necessitating another special session to consider the Attorney General's appropriation.

Our constitution wisely forbids statutory amendments and the inclusion of substantive law in a general appropriation act. This prohibition ensures permanent law can only be changed by a clear and distinct act of the legislature. It is remarkable that the legislature would include provisions that are so clearly unconstitutional. Needless to say, I cannot and will not sign a bill with such provisions.

This measure also includes a number of instances where an interim committee of the legislature, particularly the Legislative Finance Committee, is injected into the decision making process of the executive branch. The bill requires that executive actions be "approved" by the interim committee. The Legislative Finance Committee is by no means representative of the entire legislature and does not assume legislative authority when the legislature is not in session.

Interim committees have enjoyed and will continue to enjoy the cooperation of the executive branch as it pertains to the information to which they are rightfully entitled. Interim committees do not exercise executive authority, however. I will not approve any portion of an appropriation bill that implies that they do.

### **Management Considerations**

I share the legislature's apparent desire to do more with less. The unintended consequence of the legislature's budget policies is that we are forced to do less with more. This measure guarantees inefficiency by its misguided approach to financial management. The arcane limitations on budget adjustments are a burden that our citizens will have to bear in the form of diminished services and government waste.

This bill incorporates some appropriations that are ostensibly based on the concept of performance budgeting. Performance budgeting is intended to be a mechanism that allows the legislature and executive agencies to reach a consensus on funding and objectives to be met. The essential element is consensus. Based upon this bill, the legislature intends to use performance budgeting to unilaterally dictate unrealistic and irrelevant goals supported by inadequate and unmanageable appropriations. Under these conditions, I can see no reason for the agencies under my direction to participate in this futile exercise.



## **Summary**

I am sure it comes as no great surprise that this bill has been vetoed. I hope that it is clear that future general appropriation bills, similarly constructed, will meet a similar fate. My objections to this bill are, in my opinion, reasonable, responsible and in the best interest of the people of New Mexico.

## **S 40 INTERVENTIONS FOR SCHOOL IMPROVEMENT**

March 7, 2000

### **SENATE EXECUTIVE MESSAGE NO. 79**

I have this day VETOED and am returning SENATE BILL 40 enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation amends the Incentives for School Improvement Act. This administration has consistently supported the State Board of Education Incentives for School Improvement Program. However, the introduction of financial support for interventions for school improvement dilutes the purpose and effectiveness of the current Act. The State Board of Education already has procedures in place to identify schools in need of improvement and has the ability to develop intervention and improvement plans through the accreditation and budget process.

## **S 47 NEXT GENERATION TRUST FUND ACT**

March 8, 2000

### **SENATE EXECUTIVE MESSAGE NO. 88**

I have this day VETOED and am returning SENATE BILL 47, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation creates a "Next Generation Trust Fund" which is funded by appropriations from the legislature, including a portion from the Tobacco Settlement. The bill also creates a 13 member council for developing comprehensive programs and strategies to support youth development statewide.

The primary funding stream for this fund is the Tobacco Settlement money which I firmly believe should be spent on comprehensible, sustainable and accountable programs that are

focussed on tobacco cessation. Secondly, I think this unnecessarily grows state government.

## **S 48 TOBACCO SETTLEMENT REVENUE DISTRIBUTION**

March 7, 2000

### **SENATE EXECUTIVE MESSAGE NO. 72**

I have this day VETOED and am returning SENATE BILL 48, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill creates the Tobacco Settlement Permanent Fund and Program Fund which was abolished in this legislative session. This bill has a negative impact on the General Fund in the current and subsequent fiscal years. Moreover the bill establishes a reserve fund that would theoretically be available in the event of General Fund shortfall.

The reserve in this bill is similar to the Risk Reserve Fund. In practice the Risk Reserve is not a viable General Fund Reserve and it is unlikely that the reserve created in this bill would fulfill that function either.

I believe it would be ill advised to approve this bill at this time since a general appropriation act has yet to be enacted. The permanent disposition of tobacco settlement funds can be comfortably addressed during the next regular legislative session.

## **S 100 ELECTRONIC COMMERCE SERVICES**

March 7, 2000

### **SENATE EXECUTIVE MESSAGE NO. 73**

I have this day VETOED and am returning SENATE BILL 100, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

The bill directs the Economic Development Department to establish an Internet portal to facilitate electronic commerce. A surcharge on transactions conducted via this arrangement would accrue to the Educational Technology Fund. Improved commerce, whether via the Internet or by more conventional means, is best left to the private sector economy.

**S 179 FUND THE OFFICE OF AFRICAN AMERICAN AFFAIRS**

February 15, 20

**SENATE EXECUTIVE MESSAGE NO. 59**

I have this day VETOED and am returning SENATE BILL 179, enacted by the Forty-Fourth Legislature, Second Session, 2000. This bill appropriates \$250,000 to operate the Office of African American Affairs. Last year I signed into law an act creating this office, effective July 1, 2000. This legislation was signed with the express understanding that the goals of this office would be met without expanding state government or appropriating state funds.

While the Office of African American Affairs will play a key role in addressing the vital issues facing the African American community across New Mexico, this office can accomplish its mission without state funding. I will issue a strategic plan to operate this new office by June 1, 2000 so that the office will be operational in accordance with the 1999 law. Using a variety of public human resources and private fiscal resources, we will forge a unique public-private partnership to operate this office efficiently and effectively without the need for the appropriation found within this bill.

**S 222 STATE POLICE DEFERRED RETIREMENT OPTION PLAN**

March 7, 2000

**SENATE EXECUTIVE MESSAGE NO. 80**

I have this day VETOED and am returning SENATE BILL 222, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation would allow state police officers who reach retirement age to elect to continue working, but also accrue full retirement benefits while still on the job for up to five years after reaching retirement age. I vetoed similar legislation last year that would have permitted New Mexico's teachers to receive a paycheck, a retirement check, as well as additional state contributions to their retirement account. As with teachers, state police officers can take advantage of a strong state pension system. While I am open to a change in law which would allow a police officer or a teacher to retire and resume working in the public sector without penalty, I cannot allow these individuals to draw two incomes and receive additional benefits.

**S 267    DONATE SCHOOL BUSES TO NEW MEXICO WORKS  
PROGRAM**

March 7, 2000

**SENATE EXECUTIVE MESSAGE NO. 81**

I have this day VETOED and am returning SENATE BILL 267, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill commands the state Department of Education to identify and donate obsolete school buses, operated by local school districts, to the State Highway and Transportation Department. The donated buses would then be employed to transport New Mexico Works Program participants and to provide transportation for the state's rural residents. I vetoed similar legislation last year, and do so again, because these buses are potentially unsafe and could therefore endanger New Mexico Works Program riders. No provision is provided in this bill for the inspection, maintenance, and repair of these worn-out buses. I cannot sign legislation that would put New Mexico's citizens at risk as well as create potential liability for the state.

**CS/S 296    TREATMENT FOSTER CARE PROGRAMS**

March 7, 2000

**SENATE EXECUTIVE MESSAGE NO. 74**

I have this day VETOED and am returning SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 296, with emergency clause enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation requires the exclusion of treatment foster care from the Medicaid Managed Care Program, Salud! I vetoed this legislation last year, because it would result in the fragmentation of a cost-efficient, successful program that serves children with formidable health problems. As with last year's bill, enactment of this law would take a step backward toward a fee-for-service model that works against the need for high-level coordination among health care providers to allow children to obtain the best and most cost-effective services available.

**S 300    INCREASE STATE MINIMUM WAGE**

March 7, 2000

**SENATE EXECUTIVE MESSAGE NO. 85**

I have this day VETOED and am returning SENATE BILL 300, as amended, with certificate of correction enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation increases the minimum wage in New Mexico. I vetoed a version of this bill last year, because increasing the minimum wage would result in fewer opportunities for this state's young, entry-level workers. While this bill does permit businesses to pay a lower "training wage" to its new young employees, they can only do so during the first 90 days of employment. Such a provision would discourage the hiring of entry-level employees on a long-term basis, thereby limiting the opportunities of New Mexicans joining the work force for the first time. I want to keep our citizens in the work force, not force them to seek jobs on a continual basis.

**S 309 PROVIDE EXPEDITED CHILD CARE**

March 7, 2000

**SENATE EXECUTIVE MESSAGE NO. 75**

I have this day VETOED and am returning SENATE BILL 309, without emergency clause, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill amends the New Mexico Works Act to allow more than one welfare benefit group per household, and requires the Department of Children, Youth and Families to provide immediate child care services to approved applicants. This legislation unnecessarily expands welfare and creates the potential for abuse of the New Mexico Works system. Taxpayer dollars are better served by encouraging New Mexico Works participants to work rather than seek loopholes in social services programs.

**CS/S 313 EDUCATION WORKS ACT**

March 8, 2000

**SENATE EXECUTIVE MESSAGE NO. 89**

I have this day VETOED and am returning SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR SENATE BILL 313, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill was referenced in Senate Finance Committee Substitute for Senate Bill 2 and my veto of this General Appropriation Act invalidates the proposed funding for the Education Works Act. The bill, as passed, contains language that does not compliment and integrate well with New Mexico Works Act programs. My administration will certainly work with the Legislature's Welfare Reform Oversight Committee on these issues during the interim.

## **S 348 COUNTY-SUPPORTED MEDICAID FUND TRANSFERS**

March 7, 2000

### **SENATE EXECUTIVE MESSAGE NO. 77**

I have this day VETOED and am returning SENATE BILL 348, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation would mandate that all counties increase their payments to the County-Supported Medicaid Fund by an amount equal to 1/64 of one percent of their gross receipts taxes, and to transfer these new taxes to the fund on a quarterly basis. The legislation places a contingency upon the provisions regarding these transfers that relate to the Human Services Department receiving approval from the federal government for an amendment to the state's Medicaid plan that expands eligibility for certain adults.

While the legislation allows counties to use funds from any existing authorized revenue source to meet this mandated increased payment, it could dictate a tax increase for some counties or a reallocation of county resources from other activities in counties where they cannot increase tax rates and could impair existing service levels within their jurisdiction. In addition, the revenue raised would not meet the needs of the state's share of the proposed Medicaid expansion, which would be about \$10 million the first year and \$20 million in the second and subsequent years. Thus this bill creates yet another shortfall requiring funds from the state's Medicaid account which recently has suffered from under funding by the legislature.

## **S 422 REGISTRATION AND LICENSE FOR NONRESIDENT**

March 7, 2000

### **SENATE EXECUTIVE MESSAGE NO. 82**

I have this day VETOED and am returning SENATE BILL 422, as amended, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This bill would permit out-of-state residents to register their vehicles in New Mexico. In addition, out-of-state residents could acquire New Mexico driver licenses without changing their residence to New Mexico. These changes could have profound consequences. Residents of other states could register vehicles here simply to avoid higher registration fees in other states. Additionally, law enforcement could have difficulty tracking down suspects who live in other states yet drive under a New Mexico license. Consider that if a neighboring state enacted such a law, New Mexico could find itself unable to enforce its laws on its own citizens. Finally, any service that relies on a driver's license as a means of identifying the residence of an individual would have to be completely revised. This problem extends to numerous public and private services. While I have vetoed this bill for the above-mentioned reasons, I would support legislation which would allow for the registration of a vehicle in New Mexico by an out-of-state resident if that vehicle were exclusively used in New Mexico.

### **CS/S 434 NATIVE AMERICAN LIBRARY ENDOWMENT FUND**

March 7, 2000

#### **SENATE EXECUTIVE MESSAGE NO. 83**

I have this day VETOED and am returning SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 434, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation charges the State Library Division of the Office of Cultural Affairs with the responsibility for establishing a tribal libraries endowment fund for the purpose of establishing, developing and administering tribal libraries in New Mexico. More specifically, monies from the new endowment fund would pay for reading programs, after school tutoring, computers, internet service and book purchases.

While these purposes are meritorious, these tribal library needs may be better met through the existing state library budget and via existing state library commission duties. Through close coordination with tribal libraries, local schools and private companies, I am confident the state librarian can accomplish the goals of this legislation without the creation of another earmarked fund.

### **S 435 AMEND RETIREE HEALTH CARE ACT**

March 7, 2000

**SENATE EXECUTIVE MESSAGE NO. 78**

I have this day VETOED and am returning SENATE BILL 435, enacted by the Forty-Fourth Legislature, Second Session, 2000.

This legislation proposes to include legislators and certain other officials including members of local governing bodies under the benefit plans of the New Mexico Retiree Health Care Authority. This bill has been vetoed because it conflicts with House Bill 195 that has been signed.



**PARTIAL VETOES  
FORTY-FOURTH LEGISLATURE  
SECOND SESSION**

**H 1 (Chapter 1) FEED BILL**

January 27, 2000

**HOUSE EXECUTIVE MESSAGE NO. 41**

I have this day SIGNED HOUSE BILL 1 as amended, with emergency clause, enacted by the Forty-Fourth Legislature, State of New Mexico, First Session, 2000, but have VETOED the following item or items, part or parts:

On page 2, I have vetoed all of lines 10 through 17.

The effect of this veto is to remove two appropriations totaling six hundred thirteen thousand nine hundred twelve dollars (\$613,912). These appropriations are defined in such a nebulous manner as to make their purpose meaningless.

On page 6, I have vetoed all of lines 21 and 22 and on page 7 I have vetoed all of line 6.

The effect of this veto is to remove the personal services and employee benefits appropriations from the fiscal year 2001 operational appropriation to the Legislative Finance Committee. These appropriations contain funds to increase the permanent staff of the Legislative Finance Committee ostensibly for the purpose of implementing the performance based budgeting component of the Government Accountability Act. The fundamental premise of the Government Accountability Act is to create a more efficient government. This increase in full-time employees would seem counter intuitive especially considering the fact that the responsibility for implementation of the act rests with the Executive Department, specifically the Department of Finance and Administration, which will address these functions without increased staff. I have removed these appropriations in the expectation that they will be re-enacted in the General Appropriation Act of 2000 without enhancing the committee's permanent staff.

On page 9, I have vetoed all of lines 24 and 25 and on page 10, I have vetoed all of lines 1 and 2.

The effect of this veto is to remove a provision that grants legislative agencies total budget adjustment flexibility. As I indicated in last year's message pertaining to House Bill 1, I cannot rationalize extraordinary budgetary privilege solely for legislative agencies. Legislative agencies

*should* be able to function under the same budgetary discipline as their sister agencies. I will consider budget adjustment provisions for legislative agencies in the appropriate section of the General Appropriation Act of 2000. It is my expectation that the budget adjustment provisions for legislative agencies will be the same as to those enacted for executive and judicial agencies.

## **H 203 (Chapter 104)    CUMBRES AND TOLTEC SCENIC RAILROAD**

March 7, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 92**

I have this day SIGNED HOUSE BILL 203, as amended, with emergency clause enacted by the Forty-Fourth Legislature, Second Session, 2000, but have VETOED the following item or items, part or part:

On page 1, I have vetoed line 15 through line 22. The effect of this partial veto is to remove a \$26,900 appropriation to the office of the Attorney General for litigation costs associated with the Cumbres and Toltec Scenic Railroad. Such litigation is provided for in the general appropriation act. The annual budget of the Attorney General is largely devoted to the support of legal representation on behalf of state government.

## **CS/S 437 & 438 (Chapter 106)    INTERIM CORRECTIONS OVERSIGHT COMMITTEE**

March 7, 2000

### **SENATE EXECUTIVE MESSAGE NO. 84**

I have this day SIGNED SENATE JUDICIARY COMMITTEE SUBSTITUTE FOR SENATE BILLS 437 & 438, as amended, with emergency clause, enacted by the Forty-Fourth Legislature, Second Session, 2000.

I have VETOED lines 22 through 25 on page 5, and lines 1 through 9 on page 6. This language would have allowed the Corrections Oversight Committee to issue subpoenas to compel citizens throughout the state to testify before the committee. Such subpoena power is duplicative of the bill's provision requiring all state government entities to cooperate with the committee by providing it documents, materials and information related to the committee's oversight of the state prison system. Current law provides only the legislature itself and a single permanent

interim committee, the Legislative Finance Committee, with subpoena power. I see no need to expand legislative subpoena authority, and thereby increase government intrusion into the lives of citizens, when it is not necessary.

**POCKET VETO  
FORTY-FOURTH LEGISLATURE  
SECOND SESSION**

A pocket veto occurs only after the legislature has adjourned. During the legislative session, a bill that remains on the governor's desk for more than three days (not including Sundays) becomes law without his signature. After adjournment of the legislature, the governor has 20 days for approval or veto of bills that are passed during the last three days of the session. If a bill is not signed or vetoed by message in this 20-day period, it does not become law and is called a "pocket veto".

CS/S 297 AMEND SEVERANCE TAX BONDING ACT

**VETO MESSAGES OF SENATE BILLS  
FORTY-FOURTH LEGISLATURE  
SECOND SPECIAL SESSION**

**CS/S 9    NEXT GENERATION TRUST FUND ACT**

**April 12, 2000**

**SENATE EXECUTIVE MESSAGE NO. 6**

I have this day VETOED SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTUE FOR SENATE BILL 9, as amended, enacted by the Forty-Fourth Legislature, Special Second Session, 2000.

This legislation creates a statutory trust fund in support of an array of loosely defined youth activities. No permanent sources of income to the trust fund have been identified, other than periodic legislative appropriations. The proceeds from the investment of the fund would be devoted to a grant program. This legislation has been vetoed because it is an unnecessary complication of the appropriation process.

There are a number of state agencies and private non-profit firms that are presently supporting the same type of programming that is contemplated in this legislation. The appropriation process can easily accommodate an increased emphasis on youth activities should that be the will of the legislature.

The legislation also allows the fund to accept deposits of private funds. Apparently the intention of this provision is for this trust fund to compete with the various charitable organizations for donations. I believe a state trust fund contending for private contributions would become a future state agency, something which I oppose.

**S 33    COUNTY-SUPPORTED MEDICAID FUND TRANSFERS**

**April 12, 2000**

**SENATE EXECUTIVE MESSAGE NO. 4**

I have this day VETOED and am returning SENATE BILL 33, without emergency clause, enacted by the Forty-Fourth Legislature, Second Special Session, 2000.

This legislation is identical to Senate Bill 348 of the Forty-Forth Legislature, Second Session, 2000 which I have previously vetoed. It would mandate that all counties increase their payments to the County-Supported Medicaid Fund by an amount equal to 1/64 of one percent of their gross receipts taxes, and to transfer these new taxes to the fund on a quarterly basis. The legislation places a contingency upon the provisions regarding these transfers that relate to the Human Services Department receiving approval from the federal government for an amendment to the state's Medicaid plan that expands eligibility for certain adults.

While the legislation allows counties to use funds from any existing authorized revenue source to meet this mandated increased payment, it could dictate a tax increase for some counties or a reallocation of county resources from other activities in counties where they cannot increase tax rates and could impair existing service levels within their jurisdiction. In addition, the revenue raised would not meet the needs of the state's share of the proposed Medicaid expansion, which would be about \$10 million the first year and \$20 million in the second and subsequent years. Thus this bill creates yet another shortfall requiring funds from the state's Medicaid account which recently has suffered from under funding by the legislature.

## **S 47   SHARING OF FIRE ACADEMY TRAINING FACILITIES**

April 12, 2000

### **SENATE EXECUTIVE MESSAGE NO. 7**

I have this day VETOED and am returning SENATE BILL 47, with certificate of correction, enacted by the Forty-Fourth Legislature, Second Session, 2000.

While the intent of this legislation is good, state agencies should work cooperatively to best serve New Mexico's citizens, requiring the Firefighters' Training Academy to be used for law enforcement academy training needs could be problematic. The Firefighter's Training Academy facilities are not suitable to provide complete basic law enforcement academy training. Furthermore, it is my understanding that the Department of Public Safety and the Public Regulatory Commission already cooperate on the use of this facility where appropriate. Therefore, I cannot endorse legislation requiring a cooperative agreement between the Law Enforcement Academy Board and the State Fire Marshall.

**PARTIAL VETOES  
FORTY-FOURTH LEGISLATURE  
SECOND SPECIAL SESSION**

**CS/H 16 (Chapter 23) CAPITAL OUTLAY PROJECTS**

April 12, 2000

**HOUSE EXECUTIVE MESSAGE NO. 8**

I have this day SIGNED HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR HOUSE BILL 16, as amended, enacted by the Forty-Fourth Legislature, Second Special Session, 2000 but have vetoed the following item or items, part or parts:

1. On page 6, I have vetoed all of lines 6 through 13. This provision has been removed because it is impractical in that it places conditions on previous appropriations. The expenditure limitations set out in this passage may be desirable, however, they should not be applied after the fact.
2. On page 125, line 13, after "county", I have vetoed the semi-colon and I have vetoed all of lines 14 through 25. I have vetoed all of page 126 and on page 127, I have vetoed all of lines 1 through 6 and on line 7, I have vetoed through "county". These items have been vetoed because according to the State Engineer's Office, they appear to be either inappropriate uses of the Irrigation Works Construction Fund, eligible for funding from other sources, or inconsistent with the Interstate Stream Commission's priority funding requirements.
3. On page 130, I have vetoed all of lines 22 through 24.

On page 131, I have vetoed all of lines 5 through 7, I have vetoed all of lines 13 through 15, I have vetoed all of lines 23 through 25 and on page 132, I have vetoed all of lines 1 and 2.

On page 143, I have vetoed all of lines 22 through 24.

On page 144, I have vetoed all of lines 14 through 16.

On page 145, I have vetoed all of lines 12 and 13 and on line 14 I have vetoed through the semicolon.

On page 169, on line 21 after "county", I have vetoed "; and" and I have vetoed all of line 22 and on line 23, I have vetoed through "systems".

On page 170, on line 15 after "improvements," I have vetoed "; and" and I have vetoed all of line 16 and on line 17, I have vetoed through "improvements".

On page 171, I have vetoed all of lines 1 through 6, I have vetoed all of lines 22 through 25 and on page 172, I have vetoed all of lines 1 through 4.

The vetoes listed in item 3 above are General Fund capital outlay projects. They have been removed to assure that the projected General Fund Operating Reserve is maintained at a minimum level.

I believe there is consensus within the legislature and executive that the operating reserve be held to no less than five percent of general fund spending. When all appropriations approved by the legislature are taken into account, the operating reserve level is projected to be \$157 million. This is \$17 million less than the minimum requirement, necessitating the vetoes presented above.

## **CS/H 29 (Chapter 10) STATE AGENCY APPROPRIATIONS**

April 12, 2000

### **HOUSE EXECUTIVE MESSAGE NO. 4**

I have this day SIGNED HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR HOUSE BILL 29, enacted by the Forty-Fourth Legislature, Second Special Session, 2000 but have VETOED the following item or items, part or parts:

- 1) On page 1, I have vetoed all of lines 17 and 18 and on line 19, I have vetoed through "advertising;".
- 2) On page 1, line 25, after "Rio Grande", I have vetoed "; and" and on page 2, I have vetoed all of line 1 and I have vetoed line 2 through "uplift".
- 3) On page 2, I have vetoed all of lines 14 through 17.
- 4) On page 2, I have vetoed all of lines 22 through 25 and I have vetoed all of lines 1 through 5 on page 3.
- 5) On page 3, I have vetoed all of lines 10 through 15.
- 6) On page 4, I have vetoed all of lines 2 through 25 and on page 5, I have vetoed all of lines 1 through 17.



- 7) On page 5, line 21, after "(1)", I have vetoed the remainder of the line and all of lines 22 through 25.
- 8) On page 6, I have vetoed all of lines 1 through 3 and on line 4, I have vetoed "(2)", and on line 6 after the semi-colon, I have vetoed "and" and all of lines 7 through 12.
- 9) On page 6, line 16, after "(1)", I have vetoed the remainder of the line, I have vetoed all of line 17 and on line 18, I have vetoed "(2)".
- 10) On page 6, line 24, after "1972", I have vetoed the semi-colon, all of line 25 and on page 7, I have vetoed all of lines 1 through 8 and on line 9, I have vetoed through "college".

The foregoing vetoes strike a number of special appropriations for various purposes in this bill. These appropriations are undoubtedly inspired by the best of intentions. Unfortunately, their removal is necessary to ensure that the projected General Fund Operating Reserve is maintained at a minimum level.

I believe there is consensus within the legislature and executive that the operating reserve be held to no less than five percent of general fund spending. When all appropriations approved by the legislature are taken into account, the operating reserve level is projected to be \$157 million. This is \$17 million less than the minimum requirement, necessitating the vetoes presented above.

## **S 15 (Chapter 5) GENERAL APPROPRIATION ACT OF 2000**

April 12, 2000

### **SENATE EXECUTIVE MESSAGE NO. 2**

I have this day SIGNED SENATE BILL 15, as amended, enacted by the Forty-Fourth Legislature, Second Special Session, 2000 but have VETOED the following item or items, part or parts:

On page 1, I have vetoed all of lines 13 through 16; and on page 4, I have vetoed all of lines 9 through 12. This language is vetoed because it appears to direct each judicial and executive agency to maintain a specific number of employees. Employment decisions are clearly within the realm of the individuals charged with the management of state agencies and an artifice of budget making, not a function of legislative appropriations. It is my objective to manage state employment via the position control functions of the Department of Finance and Administration.

On page 3, I have vetoed all of lines 18 through 25. This provision mandates the preparation of revenue estimates that, at times, may be inappropriate and unnecessary.

On page 4, I have vetoed all of lines 13 through 15. I have vetoed this provision in order to allow for the establishment of a "procurement card" pilot project.

On page 4, I have vetoed all of lines 24 and 25. The effect of this veto is to eliminate the Legislature's attempt to restrict state government officials from engaging in discussions regarding the legalization of certain controlled substances.

Such legislation is patently unconstitutional. Not only is it an illicit attempt to enact substantive law within an appropriation bill, but it also constitutes an impermissible infringement on freedom of speech as guaranteed by both the New Mexico and United States Constitutions.

The First Amendment to the United States Constitution provides that government shall make no law abridging the right to free speech. Similarly, Article II, Section 17 of our Constitution protects this right. The Legislature's attempt to quash free and open dialogue on the legalization of certain controlled substances as a possible solution to this state's pervasive drug problem is the type of censorship readily and often condemned by the United States and the New Mexico Supreme Courts. I must act to protect the marketplace of ideas so that we may all freely trade our opinions regarding the solutions to the drug and crime ills that plague New Mexico's citizens.

In addition to Constitutional problems, this language is struck because the magnitude of our state and national drug abuse problem and the abysmal failure of today's drug strategies requires us to continue to explore alternative solutions. The wholesale failure of today's "Drug War" calls for New Mexico policymakers, both the legislature and the governor, to fully explore and debate new drug strategies including legalization.

Today's drug war strategies, based largely upon prohibition, incarceration and abstinence, are not only a failure but an expensive failure. To date, the federal government has spent over \$160 billion to combat drugs while state and local governments have spent an additional \$320 billion. Our war on drugs has many costs but few benefits.

In fact, we are losing the drug war. Drug prices have reached historic lows. High school students can get drugs more easily than ever. Drug use by junior high school kids has tripled. More than 400,000 Americans are in jail or prison on drug related charges, and several million addicts fail to get the treatment they need.

Despite the ideological posturing by many elected officials favoring drug war policies, the public strongly favors a more pragmatic approach based on treatment, prevention and education. Citizens want policies that save lives, keep drugs out of the hands of kids and treat those suffering from drug abuse or addiction. They want common sense, cost-effective approaches producing real results; not another decade of failed rhetoric.

Throughout the remainder of my term in office, I will participate in the ongoing public debate about drug policy and will advocate for a comprehensive set of harm-reduction strategies that

would eventually result in a new legal-regulatory drug policy framework. This "legalization model," while not a panacea, is preferable to today's drug war for reasons already stated. While advocating for drug policy reform and raising public awareness about the drug problem, I will continue my public education campaign to tell all New Mexicans that drugs are a bad choice.

On page 37, I have vetoed all of lines 22 through 25 and on page 38, I have vetoed all of lines 1 through 6. These appropriations have been removed because they attempt to divert funds from a loan fund for primary care capital outlay. If grants for primary care capital needs are justified, they should be made from a more appropriate source.

On page 38, line 9 after "center;", I have vetoed "fifty", and I have vetoed line 10 through "county;". This General Fund appropriation for county road improvements is more appropriate to the Local Government Road Fund and has been removed accordingly.

On page 64, line 5 after the period, I have vetoed "Cash balances" and I have vetoed all of lines 6 through 8. This language is a well-intentioned attempt to require certain licensing boards to reduce their excessive cash balances. Unfortunately, the specific terms of the provision are impractical.

On page 65, I have vetoed all of lines 5 through 7. This appropriation for telecommunications consumer rights has been removed because its enabling legislation was not enacted.

On page 81, I have vetoed all of lines 17 through 21. This level of appropriation from the State Road Fund to the Energy, Minerals and Natural Resources Department is unnecessary at this time. The Highway and Transportation Department will fulfill the intent of the language through a cooperative effort with the Energy, Minerals and Natural Resources Department over the next several years.

On page 84 line 17 after "fund", I have vetoed the comma and the remainder of the line and I have vetoed line 18 through "fund". This appropriation from the Corrective Action Fund to the State Engineer is an inappropriate use of the fund.

On page 89 I have vetoed all of line 15. This appropriation for the Office of African American Affairs has been removed because another appropriation to this office in another section of this bill has been approved.

On page 95, line 23 after "recipient;", I have vetoed "four" and I have vetoed all of lines 24 and 25. On page 96 I have vetoed line 1 and line 2 through "guidelines;". This appropriation would have mandated a significant enhancement of the Medicaid program. The appropriation was vetoed because such a program expansion is ill advised in light of the long-range costs and the need to stabilize our existing Medicaid program.

On page 107, line 5, after "program", I have vetoed the semicolon and the remainder of the line and I have vetoed line 6 through "clinic". This appropriation has been removed because it is an unnecessary program expansion.

On page 107, I have vetoed all of lines 7 and 8. This provision would have eliminated the Chief Medical Officer from the Health Department. There is no rational justification to support the elimination of this position since the practice of medicine is essential to the Health Department's mission.

On page 107, line 10, after "include", I have vetoed the remainder of the line and I have vetoed line 11 through "and". This appropriation for early childhood home visiting services is an inappropriate use of tobacco settlement funds.

On page 117, I have vetoed all of lines 20 through 22. This language attempts to transfer funds from the Corrective Action Fund to the State Engineer and is vetoed because it is an inappropriate use of that fund.

On page 122, I have vetoed all of lines 5 through 7. This appropriation for a "life skills" program is an inappropriate use of tobacco settlement funds.

On page 122, I have vetoed all of lines 8 through 10. This appropriation for domestic violence is an unnecessary program expansion.

On page 131, line 13 after "south", I have vetoed the remainder of the line and I have vetoed line 14 through "facility". The language is removed because it is unworkable, as it requires certain programming before inmates can be housed in the Penitentiary of New Mexico South unit. Since inmates are presently in residence it would be impractical to remove them. The Corrections Department will provide the programming contemplated in this language in a timely manner.

On page 136, I have vetoed all of lines 9 through 13. This language represents an attempt to micromanage the State Highway and Transportation Department and has therefore been removed.

On page 136, I have vetoed all of lines 15 and 16. This appropriation for the Columbus border crossing is premature and is an inappropriate attempt to override the State Highway Commission's responsibilities for prioritizing highway construction and maintenance.

On page 137, I have vetoed all of lines 12 through 16. These appropriations are either premature or an inappropriate attempt to override the State Highway Commission's responsibilities for prioritizing highway construction and maintenance.

On page 138, I have vetoed all of lines 4 through 6. This appropriation for the air services assistance program is an inappropriate attempt to override the State Highway Commission's

responsibilities for prioritizing the use of road fund.

On page 147, I have vetoed all of lines 11 and 12. This appropriation for a viticulturist has been removed because it is a program expansion that was not reviewed by the Commission on Higher Education.

On page 154, I have vetoed all of lines 4 through 15. This language improperly attempts to amend the statutory public school equalization via an appropriation bill and is therefore vetoed.

On page 155, I have vetoed all of lines 13 through 17. This language improperly attempts to amend the statutory public school equalization via an appropriation bill and is therefore vetoed.

On page 170, I have vetoed all of lines 12 and 13. This appropriation for moving costs can be accommodated within other resources available to the court.

On page 170, I have vetoed all of lines 14 and 15. Furniture replacement may be accomplished within other resources available to the District Attorney.

On page 173, I have vetoed all of lines 16 through 22. This appropriation would have mandated a significant enhancement of the Medicaid program contingent upon the State receiving a waiver from the U. S. Health Care Financing Administration. The appropriation was vetoed because the long-range costs of this program expansion have yet to be determined.

On page 176, I have vetoed all of lines 10 through 13. This appropriation from the cash balances of the Children, Youth and Families Department is inappropriate to finance a meaningful statewide program because it would be funding a recurring expense from non-recurring sources.

On page 177, I have vetoed all of lines 10 and 11. The examination of the funding formula for higher education is well within the mission and resources of the Commission on Higher Education. A special appropriation for an activity that is fundamental to the Commission's existence is superfluous.

On page 177, I have vetoed all of lines 12 through 14. This appropriation for a touring retablo program was not reviewed by the Commission on Higher Education and has been therefore removed.

On page 181, line 25, I have vetoed "for additional units". This language improperly attempts to amend the statutory public school equalization via an appropriation bill and is therefore vetoed.

On page 182, line 14, after "strategic plan.", I have vetoed the remainder of the line and I have vetoed all of lines 15 through 24. The vetoed language is an attempt to micromanage the office of the Chief Information Officer and has therefore been removed.

On page 184, line 23, after "by law", I have vetoed "and", and I have vetoed all of lines 24 and 25. On page 185 I have vetoed all of line 1 and on line 2, I have vetoed through "committee". This language has been removed because it is an attempt to micromanage a Human Services Department project and it improperly inserts an interim legislative committee into a function of the executive branch.

On page 185, line 17, after "by law", I have vetoed the remainder of the line, and I have vetoed all of lines 18 through 20 and on line 21, I have vetoed through "committee". This language has been removed because it is an attempt to micromanage a Health Department project and it improperly inserts an interim legislative committee into a function of the executive branch.

On page 186, I have vetoed all of lines 3 through 7. This appropriation constitutes an inappropriate use of the Corrective Action Fund and has therefore been removed.

On page 186, I have vetoed all of lines 8 through 16. This enhanced appropriation to the Health Policy Commission to streamline health data reporting is within the scope of the commission's appropriation in Section 4 of this act.

On page 186, line 19, after "prison management.", I have vetoed "The" and I have vetoed all of lines 20 through 22. This provision has been removed because it is an improper attempt to modify existing contracts through legislation.

On page 187, line 21, after "strategic plan.", I have vetoed the remainder of the line and I have vetoed all of lines 22 through 25. The vetoed language is an attempt to micromanage the office of the Chief Information Officer and has therefore been removed.

On page 188, I have vetoed all of lines 6 through 11. This language is sufficiently vague as to render it meaningless and has therefore been removed.

On page 188, I have vetoed all of lines 18 through 21. This appropriation constitutes an inappropriate use of the Corrective Action Fund and has therefore been removed.

On page 198, line 17, after "(1)", I have vetoed the remainder of the line, I have vetoed all of line 18 and on line 19 I have vetoed "(2)". This budget adjustment language for the current fiscal year is superfluous.

On page 200, I have vetoed all of lines 7 through 9. This provision unnecessarily complicates the already formidable paperwork requirements for budget adjustments.

**POCKET VETOES**  
**FORTY-FOURTH LEGISLATURE**  
**SECOND SPECIAL SESSION**

A pocket veto occurs only after the legislature has adjourned. During the legislative session, a bill that remains on the governor's desk for more than three days (not including Sundays) becomes law without his signature. After adjournment of the legislature, the governor has 20 days for approval or veto of bills that are passed during the last three days of the session. If a bill is not signed or vetoed by message in this 20-day period, it does not become law and is called a "pocket veto".

S 4 TECHNOLOGY JOBS TAX CREDIT ACT  
S 46 LABORATORY/SMALL BUSINESS TAX CREDIT ACT